

## **UNALLOCATED EXPENSE & REVENUE (090)**

## DEPARTMENT: Unallocated Expense (090)

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### DEPARTMENT DESCRIPTION

The Unallocated Expense budget records expenses that are not attributable to specific operating departments. Expense items include:

- The Contingency Account (a provision for unexpected expenditures which may arise during the year)
  - The county's contribution to the Rochester-Genesee Regional Transportation Authority
  - Water Authority debt service (which is fully reimbursed by the Monroe County Water Authority)
  - County Debt Service expenses which are not distributed to departments
  - Insurances (the costs of which are distributed to operating departments through interdepartmental charges)
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### BUDGET SUMMARY

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Appropriations</u></b>		
County General	3,760,436	3,088,752
Contributions to Other Funds	705,305	942,182
Contribution to RGRTA	3,524,160	3,524,160
Debt Service - Water Authority	4,229,208	3,557,941
Civic Center Garage	1,390,225	1,392,025
Debt Service-Medical Examiner/Lab Building	320,673	323,414
Debt Service-Resource Recovery Facility	89,150	92,041
Debt Service-Greater Rochester Outdoor Sports Facility	1,677,688	1,683,116
Insurances/Retirement	10,232,445	15,744,029
<b>Total</b>	<b>25,929,290</b>	<b>30,347,660</b>
<b><u>Revenue</u></b>		
Debt Redemption - Water Authority	4,229,208	3,557,941
Commissions, Civic Center Garage	1,400,000	1,400,000
Reimbursement for Expense-Greater Rochester Outdoor Sports Facility	1,677,688	1,683,116
Insurances/Retirement Charges	10,232,445	12,742,470
Appropriated Fund Balance-Debt Service Reserve	89,150	92,041
<b>Total</b>	<b>17,628,491</b>	<b>19,475,568</b>
<b><u>Net County Support</u></b>	<b>8,300,799</b>	<b>10,872,092</b>

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### BUDGET HIGHLIGHTS

**Revenues** presented in this section help offset the appropriations listed above. Additional revenues are presented in the section *Unallocated Revenues*.

The 2004 Adopted Budget reflects amendments made by the County Legislature. These changes are described in the Legislative Action section of the Budget document.

**DEPARTMENT: Unallocated Expense (090)**  
**DIVISION: County General (9001 & 9097)**

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**DIVISION DESCRIPTION**

Several appropriations in the county budget are not allocated to particular departments. These appropriations include the Contingency Account, erroneous assessments, memberships by the county in certain organizations, the reserve for compensated absences, expenses associated with the issuance of certain bonds or notes, etc.

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**BUDGET SUMMARY**

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Appropriations</u></b>		
Contingency Account	2,150,000	1,523,240
Reserve for Compensated Absences	50,000	0
Erroneous Assessments	500,000	500,000
Miscellaneous Expenses	1,060,436	1,065,512
<b>Total</b>	<b>3,760,436</b>	<b>3,088,752</b>
 <b><u>Net County Support</u></b>	 <b>3,760,436</b>	 <b>3,088,752</b>

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**BUDGET HIGHLIGHTS**

*Variances in funding levels are referenced in the appropriations descriptions on the next page.*

**APPROPRIATIONS DESCRIPTIONS****2003****2004****Contingency Account****\$2,150,000****\$1,523,240**

The Contingency Account provides for unexpected expenses which may arise during the year. The account is established and administered in accordance with Article IV of the County Administrative Code. Expenditures against this account require approval by the County Legislature. Funding has been decreased in 2004.

**Reserve for Compensated Absences****\$50,000****\$0**

Union contracts provide for county employees to accumulate an aggregate of 80 days of compensated absences. A maximum of 40 days is allowed for unused vacation time, and for employees at pay group 16 and lower, a total of 40 days may be accumulated for unpaid overtime. Due to a change in requirements related to governmental accounting standards, there is no need to provide a budget estimate.

**Erroneous Assessments****\$500,000****\$500,000**

Repayments of property tax that result from factual or recording errors or failures to comply with certain legal requirements are budgeted in this expense object along with successful challenges to assessments.

**Other Expenses****\$1,060,436****\$1,065,512**

This category includes expenses for memberships by the county in organizations, the costs associated with the issuance of bonds and notes, taxes and assessments paid on county-owned properties acquired after the taxable status date, the employee benefit parking program and debt service on County General borrowings.

**DEPARTMENT: Unallocated Expense (090)**  
**DIVISION: Contributions To Other Funds (9020)**

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**DIVISION DESCRIPTION**

The Facilities Management Division provides office space, building maintenance, and utilities to operating departments. Each building charges user departments for the above services based upon a percentage of space occupied by the users. Generally, revenues to the buildings from user departments do not support the entire cost of operating every building. Therefore, a contribution from the general fund is required to balance these Internal Service funds.

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**BUDGET SUMMARY**

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Appropriations</u></b>		
Interfund Contributions:		
County Office Building	80,766	94,413
CityPlace	370,610	377,472
Hall of Justice	112,614	203,131
H/SS Building	50,000	0
Iola Building & Grounds	48,881	229,342
Iola Powerhouse	42,434	37,824
<b>Total</b>	<b>705,305</b>	<b>942,182</b>
 <b><u>Revenue</u></b>	 <b>0</b>	 <b>0</b>
 <b><u>Net County Support</u></b>	 <b>705,305</b>	 <b>942,182</b>

**DEPARTMENT: Unallocated Expense (090)**  
**DIVISION: Contribution to the Rochester-Genesee Regional  
Transportation Authority (9025)**

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**DIVISION DESCRIPTION**

The county provides assistance to support the operating costs of the Authority's subsidiary, the Regional Transit Service. The level of county assistance is mandated under Article 2, Section 18-b of the New York State Transportation Law as the local match to operating assistance provided by the State of New York.

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**BUDGET SUMMARY**

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Appropriations</u></b>		
Expenses	3,524,160	3,524,160
<b>Total</b>	<b>3,524,160</b>	<b>3,524,160</b>
 <b><u>Revenue</u></b>	 <b>0</b>	 <b>0</b>
 <b><u>Net County Support</u></b>	 <b>3,524,160</b>	 <b>3,524,160</b>

**DEPARTMENT: Unallocated Expense (090)**  
**DIVISION: Debt Service-Water Authority (3597)**

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**DIVISION DESCRIPTION**

In 1969, the County Legislature agreed to issue \$27 million in bonds on behalf of the Monroe County Water Authority to finance construction projects. Since that time, the Water Authority annually submits project proposals to the county for inclusion in the Capital Improvement Program. The county has been able to borrow at interest rates lower than the Water Authority would have been able to obtain. The Water Authority repays the county the amount of debt principal and interest costs paid each year by the county on the Authority's behalf. This agreement helps reduce the cost of providing water treatment and distribution facilities in the county.

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**BUDGET SUMMARY**

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Appropriations</u></b>		
Principal on Debt	3,147,211	2,683,700
Interest on Debt	1,081,997	874,241
<b>Total</b>	<b>4,229,208</b>	<b>3,557,941</b>
<b><u>Revenue</u></b>		
Debt Redemption	4,229,208	3,557,941
<b>Total</b>	<b>4,229,208</b>	<b>3,557,941</b>
<b><u>Net County Support</u></b>	<b>0</b>	<b>0</b>

**DEPARTMENT: Unallocated Expense (090)**  
**DIVISION: Civic Center Garage - Debt Service (4597)**  
**DIVISION: Civic Center Garage O&M (Interfund Transfer) (9045)**

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**SECTION DESCRIPTION**

This account provides funding for the maintenance and operation (including utilities) of the parking garage located within the Civic Center Complex. It also provides funding for debt service related to the construction and repair of the garage. The staffing and management of parking operations is provided through an agreement with a contractor.

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**BUDGET SUMMARY**

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Appropriations</u></b>		
Principal on Debt	211,210	210,915
Interest on Debt	107,364	96,598
Interfund Transfers	1,071,651	1,084,512
<b>Total</b>	<b>1,390,225</b>	<b>1,392,025</b>
 <b><u>Revenue</u></b>		
Civic Center Garage Commissions	1,400,000	1,400,000
<b>Total</b>	<b>1,400,000</b>	<b>1,400,000</b>
 <b><u>Net County Support</u></b>	<b>(9,775)</b>	<b>(7,975)</b>

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**BUDGET HIGHLIGHTS**

*Interfund Transfers reflects an increase in interdepartmental charges to the Civic Center Complex.*



**DEPARTMENT: Unallocated Expense (090)**

**DIVISION: Debt Service - Medical Examiner/Lab Building (5897)**

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**DIVISION DESCRIPTION**

The Medical Examiner facility was completed in the fall of 1993. The Medical Examiner's Office is the focal point for the investigation, collection, analysis and dissemination of "medicolegal" information for Monroe County and several surrounding counties. The facility provides an improved level of support to meet the needs of physicians, other health care professionals, law enforcement officials, and family members of decedents.

Note: Revenues associated with the use of the facility by the Medical Examiner are budgeted within Unallocated Revenue, Agency 090, Organization 9001 (County General).

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**BUDGET SUMMARY**

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Appropriations</u></b>		
Principal on Debt	224,976	226,440
Interest on Debt	95,697	96,974
<b>Total</b>	<b>320,673</b>	<b>323,414</b>
 <b><u>Revenue</u></b>	 <b>0</b>	 <b>0</b>
 <b><u>Net County Support</u></b>	 <b>320,673</b>	 <b>323,414</b>

**DEPARTMENT: Unallocated Expense (090)**  
**DIVISION: Debt Service - Resource Recovery Facility (8297)**

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**DIVISION DESCRIPTION**

The Resource Recovery Facility has ceased operation and is no longer an active part of the county's solid waste management program. Debt service on the construction fund is included in a separate account as an unallocated expense rather than as a solid waste program expense because the facility is inactive. The county's auditor recommended this change in the audit of the 1992 financial statements.

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**BUDGET SUMMARY**

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Appropriations</u></b>		
Principal on Debt	56,611	62,459
Interest on Debt	32,539	29,582
<b>Total</b>	<b>89,150</b>	<b>92,041</b>
 <b><u>Revenue</u></b>		
Appropriated Fund Balance - Debt Service Reserve	89,150	92,041
<b>Total</b>	<b>89,150</b>	<b>92,041</b>
 <b><u>Net County Support</u></b>	<b>0</b>	<b>0</b>

**DEPARTMENT: Unallocated Expense (090)**  
**DIVISION: Debt Service - Greater Rochester Outdoor Sports Facility (1497)**

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**DIVISION DESCRIPTION**

The county has incurred debt service expenses for a share of the total cost of construction of the Frontier Field outdoor stadium used primarily by the Rochester Red Wings baseball team. The agreement with the non-profit organization, Rochester Community Baseball, Inc., provides for repayment of this cost from revenues generated by events at the facility. This debt service expense also includes the cost of the purchase of the former outdoor sports facility, Silver Stadium.

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**BUDGET SUMMARY**

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Appropriations</u></b>		
Principal on Debt	525,054	564,288
Interest on Debt	1,152,634	1,118,828
<b>Total</b>	<b>1,677,688</b>	<b>1,683,116</b>
<b><u>Revenue</u></b>		
Reimbursement for Expense	1,677,688	1,683,116
<b>Total</b>	<b>1,677,688</b>	<b>1,683,116</b>
<b><u>Net County Support</u></b>	<b>0</b>	<b>0</b>

**DEPARTMENT: Unallocated Expense (090)**  
**DIVISION: Insurances (9100)**

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**DIVISION DESCRIPTION**

The Insurances division serves as a cost center for the financial management of the county's four self-insurance programs: Workers' Compensation, Unemployment, Liability and Dental. These programs are part of a modified self-insured approach used by the county which combines direct payment of judgments and claims with the purchase of certain policies that afford coverage against extraordinarily high claims. The insurance budgets are composed of estimates for direct payments of claims, premiums for policies against "excess claims" and other specific types of liability coverage such as property damage, and administrative costs including professional service contracts. While there are no personnel directly assigned to this division, there is a charge from the Law Department for staff time required for the administration of insurance policies and the litigation of cases. The cost of maintaining the county's insurance programs is distributed to departments through interdepartmental charges.

In addition to insurance costs, the cost of a portion of retirement expenses not allocated to specific departments is included in this division for 2004.

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**BUDGET SUMMARY**

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Appropriations</u></b>		
Workers' Compensation	3,997,000	4,100,000
Unemployment Insurance	1,368,750	370,000
Liability Insurance	1,704,489	2,153,311
Dental Insurance	3,097,206	3,303,218
Risk Management Fund	65,000	65,000
Retirement	0	5,752,500
<b>Total</b>	<b>10,232,445</b>	<b>15,744,029</b>
<b><u>Revenue</u></b>		
Charges to Other Funds	10,156,445	12,670,470
Participant Contribution to Dental Plan	76,000	72,000
<b>Total</b>	<b>10,232,445</b>	<b>12,742,470</b>
<b><u>Net County Support</u></b>	<b>0</b>	<b>3,001,559</b>

**SECTION DESCRIPTIONS****2003****2004****Workers' Compensation (9101)****\$3,997,000****\$4,100,000**

Monroe County is self-insured for routine compensation claims from county employees who have been injured on the job. In addition to the annual appropriation to cover the estimated expense for these claims, the county maintains an insurance policy to meet the expenses of extraordinary claims. The cost of the Workers' Compensation self-insurance program is charged to each department on the basis of the relative cost of claims which each department has experienced in the recent past.

**Unemployment Insurance (9105)****\$1,368,750****\$370,000**

In 1976, amendments to the Federal Unemployment Tax Act extended eligibility for unemployment compensation to government employees. The county has chosen to meet these costs by reimbursing the state for the actual costs for benefits paid to former employees rather than paying the state system a 4.4% premium on the first \$7,000 earned by each county employee. The costs of the unemployment benefit self-insurance program are charged back to each county activity based on its share of the total county payroll.

**Liability Insurance (9110)****\$1,704,489****\$2,153,311**

Monroe County is self-insured against routine general and vehicle liability claims, and it maintains an insurance policy which covers only extraordinary claims. This program is administered by the Law Department with the administrative costs charged back to the program. County departments are charged their share of the cost of the total liability program in proportion to their share of the total county payroll.

**Dental Insurance (9115)****\$3,097,206****\$3,303,218**

Since January 1980, all county employees are able to receive dental insurance coverage as a fringe benefit. In 1996, the maximum annual benefit was increased to \$1,000 per employee and each employee's dependents. This program is self-insured and the cost is charged to each county department as a cost per employee.

**Risk Management Fund (9120)****\$65,000****\$65,000**

The county maintains a risk management fund for payment of tort claims and judgments for which it is self insured. The budget reflects the estimated insurance premium expense.

**Retirement (9125)****\$0****\$5,752,500**

These expenses include a portion of both active and early retirement costs for 2004. The amount presented here reflects a portion of retirement expense charged to specific departments plus additional retirement expense not allocated to specific departments reflecting costs associated with amortization of both components of the retirement program.

**DEPARTMENT: Unallocated Revenue (090)**  
**DIVISION: County General (9001)**

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**DIVISION DESCRIPTION**

The Unallocated Revenue budget records revenues that are not attributable to specific operating departments. Unallocated revenues include the real property tax, sales tax, payments in lieu of taxes, interest earned on investments and other revenue sources unrelated to department operations.

In total, the Unallocated Revenues make up the "Net County Support" amounts which appear in the Budget Summary of each department.

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**BUDGET SUMMARY**

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Revenue</u></b>		
Property Tax Penalties	3,800,000	3,800,000
Payments in Lieu of Tax	4,800,000	4,985,000
Sales Tax - County Share of First 3%	48,821,331	48,877,865
Sales Tax - County Share of Additional 1%	67,003,752	67,167,801
Interest & Earnings - General Fund	1,800,000	1,310,000
OTB Distributed Earnings	1,150,000	1,000,000
Refund Prior Year Expense	5,250,000	2,550,000
MMIS Deposit Earnings	100,000	100,000
Miscellaneous Revenue	7,451,577	6,551,467
<b>General Revenue</b>	<b>140,176,660</b>	<b>136,342,133</b>
 Real Property Tax	 241,447,788	 279,283,814
<b>Total</b>	<b>381,624,448</b>	<b>415,625,947</b>

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*The 2004 Proposed Budget provided for an increase in the sales tax rate (0.6%), but no property tax rate increase. However due to amendments made by the County Legislature (described in the Legislative Action section of the Budget Document), no increase in the sales tax rate is included in the Adopted Budget, while the property tax rate and levy have increased.*

**REVENUE DESCRIPTIONS****2003****2004****Real Property Tax****\$241,447,788****\$279,283,814**

This is the tax levied on real estate owners for county purposes. In 2004 the levy remains the same.

See the Tax Analyses part of the budget for more information on the real property tax.

**Property Tax Penalties****\$3,800,000****\$3,800,000**

This represents the interest charges collected on overdue taxes as well as the interest, penalties and other charges attached to the original tax amount at the tax sale date (precedent to tax foreclosure action).

**Payments in Lieu of Tax****\$4,800,000****\$4,985,000**

The county receives designated payments, instead of taxes, from two major sources; Urban Development Corporation (UDC) subsidized housing projects and County of Monroe Industrial Development Agency (COMIDA) contract agreements. Payments in lieu of taxes serve as an incentive for industrial development and special types of residential construction. The payments change from year to year with the number of COMIDA contracts and the aging of existing contracts for which higher payments are required.

**Sales Tax - County Share of First Three Cents (3%)****\$48,821,331****\$48,877,865**

(The county rate was 3% until September 1992, see below.) Of the county levy, the first 3% is allocated through a complex formula among the county, the City of Rochester, the towns, the villages and the suburban school districts within the county. The "First 3%" revenue item displayed here represents the portion of the 3% component that is allocated to the county government. The total amount of sales tax collection from the "First 3%" to be received is projected at \$278.3 million in 2004, an increase of approximately 2.0% above the revised estimated receipts for 2003. Based on the application of the Morin/Ryan sales tax distribution formula, the county will receive approximately 17.6% of total collections in 2004 or \$48.9 million.

See the Tax Analyses part of the budget for more information on the sales tax.

**Sales Tax - County Share of Additional One Cent (1%)****\$67,003,752****\$67,167,801**

Effective September 1, 1992 the county, as authorized by state law, increased the sales tax rate in Monroe County by 0.5%. An additional 0.5% was authorized effective March 1, 1993, bringing the rate increase to a full 1%. Under the current law, authorization for this 1% increase will end on November 30, 2005. Under this provision, after distributing 9.25% of the additional one cent to suburban school districts, towns and villages, the remaining balance will be divided between the City of Rochester and the county so that when added to the "first three cents" tax, the total share (4%) for the city and county will be equal. The total amount of sales tax collections from the 1% component to be received is projected at \$92.6 million in 2004, an increase of approximately 2.0% above the revised estimate for 2003. Based on the application of the 1% distribution formula, the county will receive approximately 72.5% of total collections in 2004, or \$67.2 million.

See the Tax Analyses portion of the budget for more information on the sales tax.

**REVENUE DESCRIPTIONS-(continued)****2003****2004****Interest and Earnings - General Fund****\$1,800,000****\$1,310,000**

This is interest earned on the investment of funds received prior to the time they are needed to meet current operating expenses. Funds available for investment are provided by revenues such as the property tax and sales tax. The income from the temporary investment of funds is a function of both prevailing interest rates and the amount of cash available for investment.

**OTB Distributed Earnings****\$1,150,000****\$1,000,000**

The Western Regional Off-Track Betting Corporation distributes 50% of its net revenues among participating counties on the basis of wagering originating in the respective counties. The remaining 50% is distributed based on population.

**Refund Prior Year Expense****\$5,250,000****\$2,550,000**

This generally results from the cancellation of expense liabilities from prior years. Examples include balances which become available when a prior year purchase order is canceled or when a reserve of prior year funds is liquidated. Also included are refunds from New York State for prior years claims for Social Services. Actual receipts from this revenue source can vary considerably from year to year.

**MMIS Deposit Earnings****\$100,000****\$100,000**

Under the Medicaid Management Information System (MMIS) the state withholds state and federal aid advances due the county to fund the local cost of the Medicaid program. Local money withheld by the state is deposited in an interest-bearing account and the interest is periodically remitted to the county.

**Other Revenue****\$7,451,577****\$6,551,467**

This category includes revenue from rental of county property, registration fees, commissions from minor sales not applicable to any specific department and revenue associated with the recovery of municipal tax refunds for erroneously assessed property.

The County has entered into a professional service contract with a management consulting firm to identify cost saving opportunities and revenue enhancements on a county-wide department basis. A total of \$3.6 million is included in this section. In order to present the net impact of the recommendations and to meet financial system requirements, the anticipated expense reductions are shown here as revenues. The recommendations will be implemented in 2004 with the corresponding expense savings or revenue enhancements being realized by the impacted department.



**DEPARTMENT: Unallocated Revenue (090)**  
**DIVISION: Debt Service Fund (9097)**

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**DIVISION DESCRIPTION**

This budget account was established to segregate the sources of unallocated revenue and appropriated fund balance that support the debt service fund.

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**BUDGET SUMMARY**

	<b>Amended Budget 2003</b>	<b>Budget 2004</b>
<b><u>Revenue</u></b>		
Earnings on Capital Funds	575,000	345,000
Interest & Earnings on Reserve for Bonded Debt	85,000	40,000
<b>Total</b>	<b>660,000</b>	<b>385,000</b>

**NOTES:**

1. The total of the two revenues on this page plus the revenues listed below, which are displayed in other parts of the budget, equal the total of revenue to the debt service fund which is displayed in the "Fund Summary and Tax Levy Computation" page in the Financial Summary section of this budget document:
  - Unallocated Expense (090), Water Authority Debt Service (3597)
  - Unallocated Expense (090), Greater Rochester Outdoor Sports Facility (1497)
  - Parks (088), Debt Service (5000)
  - Environmental Services (084), Geographical Information Services Debt Service (2097)
2. The Appropriated Fund Balance applied to the Resource Recovery Facility debt service which is displayed in Unallocated Expense (090) Debt Service - Resource Recovery Facility (8297) equals the total of the appropriated fund balance to the Debt Service Fund which is found on the "Fund Summary and Tax Levy Computation" page in the Financial Summary section of this budget document.

**REVENUE****2003****2004****Earnings On Capital Funds****\$575,000****\$345,000**

This represents interest earned on the investment of funds borrowed for capital projects. Borrowed funds are invested until they are needed to pay project costs. The income from the temporary investment of funds is a function of both prevailing interest rates and the amount of cash available for investment.

**Interest & Earnings on Reserve for Bonded Debt****\$85,000****\$40,000**

This represents interest earned on investment of Reserve for Bonded Debt balances.